

Amendment No. 1 to HB1926

**Hill M
Signature of Sponsor**

AMEND Senate Bill No. 1950*

House Bill No. 1926

by deleting all language after the caption and by substituting instead the following:

WHEREAS, the general assembly finds that certain older individuals who have resided in their homes for a substantial periods of time have found it difficult to remain in their own homes because their incomes are insufficient to cover property taxes, which have risen as the values of their homes have increased; and

WHEREAS, the general assembly finds that it is in the public interest and that it serves a statewide public purpose to create a program whereby lien-creating loans are made to elderly homeowners for the purpose, and only for the purpose, of enabling individuals to pay local property taxes on their homes so that more of these individuals can remain in their homes; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-23-115, is amended by adding the following language as a new subdivision:

() Make interest bearing, secured loans on a first-come, first-served basis, to elderly low and moderate income persons and to low and moderate income persons with disabilities for the payment of property taxes on the principal residence of the person; provided, that the property has been the principal residence of the person for at least five (5) years prior to the date of the first loan made pursuant to this subdivision, and otherwise meets requirements established by the agency. Such loans shall be due and payable to the agency and shall bear an interest rate determined by the agency not to exceed ten percent (10%) per year. The maximum loan amount in the first year in which

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a loan is made may include current and delinquent property taxes together with interest and penalty on the delinquent property taxes. The maximum amount of all loans made by the agency pursuant to this subdivision shall not exceed two hundred fifty thousand dollars (\$250,000) per year.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.